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# UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF NEW YORK

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In re : Chapter 11

SEARS HOLDINGS CORPORATION, et al., : Case No. 18-23538 (RDD)

:

Debtors. 1 : (Jointly Administered)

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# CERTIFICATE OF NO OBJECTION PURSUANT TO 28 U.S.C. § 1746 REGARDING DEBTORS' THIRTEENTH OMNIBUS OBJECTION TO PROOFS OF CLAIM (RECLASSIFY OR DISALLOW CLAIMS)

TO THE HONORABLE ROBERT D. DRAIN UNITED STATES BANKRUPTCY JUDGE:

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<sup>&</sup>lt;sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); SR – Rover de Puerto Rico, LLC (f/k/a Sears, Roebuck de Puerto Rico, Inc.) (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Rover Brands Business Unit, LLC (f/k/a Sears Brands Business Unit Corporation) (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); and SRe Holding Corporation (4816). The location of the Debtors' corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

Pursuant to 28 U.S.C. § 1746, and in accordance with this Court's case management procedures set forth in the *Amended Order Implementing Certain Notice and Case Management Procedures*, entered on November 1, 2018 (ECF No. 405) (the "**Amended Case Management Order**"), the undersigned hereby certifies as follows:

- 1. On February 18, 2020, Sears Holdings Corporation and certain of its affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "**Debtors**"), filed the *Debtors' Thirteenth Omnibus Objection to Proofs of Claim (Reclassify or Disallow Claims)* (ECF No. 7302) (the "**Omnibus Objection**").
- 2. In accordance with the Amended Case Management Order, the Debtors established a deadline for parties to file responses to the Omnibus Objection (the "Response Deadline"). The Response Deadline was set for March 10, 2020, at 4:00 p.m. (Prevailing Eastern Time. The Amended Case Management Order provides that pleadings may be granted without a hearing, provided that no objections or other responsive pleadings have been filed on, or prior to, the relevant response deadline and the attorney for the entity who filed the pleading complies with the relevant procedural and notice requirements.
- 3. The Response Deadline has now passed and, to the best of my knowledge, with respect to the claims identified on **Exhibit 1** (the "**Reclassified or Disallowed Claims**") to the proposed order granting the relief requested in the Omnibus Objection (the "**Proposed Order**"), a copy of which is annexed hereto as **Exhibit A**, no responsive pleadings have been filed with the Court on the docket of the above-referenced cases in accordance with the procedures set forth in the Amended Case Management Order or served on counsel to the Debtors.
- 4. Additionally, the Debtors have consensually resolved or continue to seek a consensual resolution of certain claims that were originally objected to in the Omnibus Objection.
- 5. Furthermore, the Debtors will be withdrawing the Omnibus Objection without prejudice with respect to the claim listed on **Exhibit B** annexed hereto.

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6. Accordingly, the Debtors respectfully request that the Proposed Order be entered in accordance with the procedures described in the Amended Case Management Order.

I declare that the foregoing is true and correct.

Dated: March 10, 2020

New York, New York

/s/ Garrett A. Fail

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## Exhibit A

**Proposed Order** 

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UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF NEW YORK		
In re	X :	Chapter 11
SEARS HOLDINGS CORPORATION, et al.,	:	Case No. 18-23538 (RDD)
Debtors. <sup>1</sup>	:	(Jointly Administered)

# ORDER GRANTING DEBTORS' THIRTEENTH OMNIBUS OBJECTION TO PROOFS OF CLAIM (RECLASSIFY OR DISALLOW CLAIMS)

Upon the *Debtors' Thirteenth Omnibus Objection to Proofs of Claim (Reclassify or Disallow Claims)*, filed February 11, 2020 (the "**Objection**"),<sup>2</sup> of Sears Holdings Corporation and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "**Debtors**"), pursuant to section 502 under title 11 of the United States Code (the "**Bankruptcy Code**") and Rule 3007 of the Federal Rules of Bankruptcy Procedures (the "**Bankruptcy Rules**"), for an order (i) reclassifying or disallowing the Asserted Priority Claims and the Asserted Ballot Claims, and (ii) granting related relief, as more fully set forth in the Objection; and the Court having jurisdiction to consider the Objection and the relief requested

<sup>&</sup>lt;sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); SR – Rover de Puerto Rico, LLC (f/k/a Sears, Roebuck de Puerto Rico, Inc.) (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Rover Brands Business Unit, LLC (f/k/a Sears Brands Business Unit Corporation) (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); and SRe Holding Corporation (4816). The location of the Debtors' corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

<sup>&</sup>lt;sup>2</sup> Capitalized terms not otherwise herein defined shall have the meanings ascribed to such terms in the Objection.

therein in accordance with 28 U.S.C. §§ 157(a)-(b) and 1334 and the *Amended Standing Order of Reference M-431*, dated January 31, 2012 (Preska, C.J.); and consideration of the Objection and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Bankruptcy Court pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court having entered the *Order Approving (I) Claims Objection Procedures, (II) Claims Settlement Procedures, and (III) Claims Hearing Procedures* (ECF No. 3014) (the "Claims Procedures Order"); and due and proper notice of the relief requested in the Objection having been provided in accordance with the Claims Procedures Order, and it appearing that no other or further notice need be provided in accordance with the Amended Case Management Order; and it appearing that other or further notice need be provided; and upon the record of all of the proceedings had before the Court; and the Court having found and determined that the legal and factual bases set forth in the Objection establish just cause for the relief granted herein; and that the relief sought in the Objection is in the best interests of the Debtors, their estates, their creditors, and all parties in interest; and after due deliberation and sufficient cause appearing therefor,

#### IT IS HEREBY ORDERED THAT:

- 1. The Objection is granted to the extent set forth herein.
- 2. Each of the amounts asserted on Ballots identified on **Exhibit 1** hereto with an asterisk in the column entitled "Affected Claim Number" is hereby disallowed.
- 3. Pursuant to section 502 and 503(b)(9) of the Bankruptcy Code and Bankruptcy Rule 3007, each of the remaining claims listed on **Exhibit 1** hereto in the column as an "Asserted" "503(b)(9) Administrative Priority Claim" is reclassified as a general unsecured claim to the extent set forth on **Exhibit 1**.
- 4. Nothing herein shall otherwise constitute an admission or finding concerning the amount or validity of any of the claims.

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5. The rights of the Debtors to object to all of the Asserted Priority Claims and

Asserted Ballot Claims, in whole or in part, and on any basis, are specifically preserved.

6. The Debtors, the Debtors' claims and noticing agent, Prime Clerk, and the

Clerk of this Bankruptcy Court are authorized to take all actions necessary or appropriate to give

effect to this Order.

7. The terms and conditions of this Order are effective immediately upon

entry.

Dated:		,	2020
	White Plains,	New	York

HONORABLE ROBERT D. DRAIN UNITED STATES BANKRUPTCY JUDGE 18-23538-shl Doc 7424 Filed 03/10/20 Entered 03/10/20 17:19:44 Main Document Pg 8 of 18

### Exhibit 1

	Reclassified Claims							
Ref		Affected	Affected	503(b)(9) Administrative	Amount Reclassified as			
#	Name of Claimant	Claim No.	Ballot No.	Priority Claim	General Unsecured Claim			
1.	Action Packaged, Inc.	5807	N/A	\$60,415.90	\$60,415.90			
2.	Action Packaged, Inc.	13469	N/A	\$8,714.57	\$8,714.57			
3.	ALLIANCE GROUPS INTL LLC	*	182353801017236	\$2,475.00	\$2,475.00			
4.	ALS GROUP INC	10844	182353801043225	\$3,051.13	\$3,051.13			
5.	ALS GROUP INC	12417	182353801043225	\$3,051.13	\$3,051.13			
6.	AMAZONLOT	836	182353801017280	\$107,779.27	\$107,779.27			
7.	AMAZONLOT	12451	182353801017280	\$107,779.27	\$107,779.27			
8.	Amber Limited	12437	N/A	\$34,236.76	\$34,236.76			
9.	ARROW GLOBAL ASSET DISPOSITION, INC.	8679	182353801039939	\$18,378.76	\$18,378.76			
10.	BARLEY GRAINS LLC	12629	N/A	\$25,193.88	\$25,193.88			
11.	BBW BRANDS INC	10725	182353801014049	\$1,286.95	\$1,286.95			

		Red	classified Claims		
Ref #	Name of Claimant	Affected Claim No.	Affected Ballot No.	503(b)(9) Administrative Priority Claim	Amount Reclassified as General Unsecured Claim
12.	BEACH TRADING CO	*	182353801016913	\$67,129.81	\$67,129.81
13.	BEYOND TONIGHT LLC	*	182353801016972	\$9,394.69	\$9,394.69
14.	BROWNS LINEN INC	*	182353801014116	\$6,400.00	\$6,400.00
15.	CHAINSCROLL LIMITED	12197	N/A	\$11,500.01	\$11,500.01
16.	CHECKING	*	182353801014158	\$1,504.00	\$1,504.00
19.	CHIGANT LIMITED	12518	N/A	\$17,971.60	\$17,971.60
20.	Clemons Business Group, LLC	11508	182353801040066	\$24,531.84	\$24,531.84
21.	Clemons Business Group, LLC dba 2Shop	4286	182353801040067	\$48,725.96	\$48,725.96
22.	CPO Commerce, Inc.	13925	182353801042639	\$363,904.36	\$363,904.36
23.	Debra Barrett Jones on behalf of C&D Floor Care, LLC DBA Tidy Vacuums, LLC	16777	182353801040129	\$44,989.44	\$44,989.44
24.	Debra Barrett Jones on behalf of C&D Floor Care, LLC DBA Tidy Vacuums, LLC	17425	182353801040129	\$44,989.44	\$44,989.44

		Red	lassified Claims	_	
Ref #	Name of Claimant	Affected Claim No.	Affected Ballot No.	503(b)(9) Administrative Priority Claim	Amount Reclassified as General Unsecured Claim
25.	Delta Canopies	11684	N/A	\$27,586.94	\$27,586.94
26.	DESIGN INTERNATIONAL GROUP INC	*	182353801016576	\$85,709.11	\$85,709.11
27.	DREAMWAY TRADING LLC	14725	182353801015765	\$1,391.17	\$1,391.17
28.	EDEALSZONE INC	1375	182353801042152	\$123,420.18	\$123,420.18
29.	EDEALSZONE INC	12459	182353801042152	\$123,420.18	\$123,420.18
30.	ELGEO CORP	4009	182353801015930	\$4,835.43	\$4,835.43
31.	Enumber Inc	*	182353801015981	\$194,242.42	\$194,242.42
32.	Exacme	12227	182353801042224	\$132,000.00	\$132,000.00
33.	Factory Outlet Stores LLC	8632	182353801042251	\$35,589.02	\$35,589.02
34.	FASHION ELITE LIMITED	12449	N/A	\$13,517.48	\$13,517.48
35.	Find Import Corporation c/o Blue Lake Inc	10174	N/A	\$50,138.93	\$50,138.93

		Rec	Reclassified Claims							
Ref #	Name of Claimant	Affected Claim No.	Affected Ballot No.	503(b)(9) Administrative Priority Claim	Amount Reclassified as General Unsecured Claim					
36.	FUNFASH INC	*	182353801015586	\$11,432.00	\$11,432.00					
37.	FzMerchandise LLC	4262	N/A	\$7,653.44	\$7,653.44					
38.	GENESCO INC	12209	182353801014467	\$28,758.90	\$28,758.90					
39.	GIVE 5 TO CANCER	3464	182353801015700	\$1,200.00	\$1,200.00					
40.	GOLDEN VANTAGE LLC	7990	N/A	\$37,594.55	\$37,594.55					
41.	IBRAHIM KHWAJA	16462	182353801014568	\$16,145.00	\$16,145.00					
42.	IMPERIAL INDUSTRIAL SUPPLY CO	1618	N/A	\$10,479.22	\$10,479.22					
43.	IMPERIAL INDUSTRIAL SUPPLY CO	1887	N/A	\$41,578.95	\$41,578.95					
44.	INVENTORY ADJUSTERS	1758	182353801040333	\$9,932.05	\$9,932.05					
45.	INVENTORY ADJUSTERS	1879	182353801040333	\$9,932.05	\$9,932.05					
46.	INVENTORY ADJUSTERS	8499	182353801040333	\$9,932.05	\$9,932.05					

		Red	lassified Claims		
Ref #	Name of Claimant	Affected Claim No.	Affected Ballot No.	503(b)(9) Administrative Priority Claim	Amount Reclassified as General Unsecured Claim
47.	IPARIS LLC	2673	182353801015645	\$9,856.06	\$9,856.06
48.	ISABELLAS FATE CYNTHIA L NAPOLITAN	5531	182353801015655	\$4,860.63	\$4,860.63
49.	ISAVE ONLINE STORES LLC	8520	182353801015659	\$45,919.01	\$45,919.01
50.	IVGSTORES LLC	10592	182353801015857	\$45,113.01	\$45,113.01
51.	JACQUELINE KRAEHE	*	182353801014870	\$6,229.78	\$6,229.78
52.	JODIEMAHER	*	182353801014923	\$17,396.00	\$17,396.00
53.	JODIEMAHER	*	182353801014924	\$23,298.00	\$23,298.00
54.	K2 MOTOR CORP	*	182353801014986	\$8,106.63	\$8,106.63
55.	Kapscomoto Inc.	8560	182353801039822	\$24,125.70	\$24,125.70
56.	KC TOOL	2962	182353801014656	\$6,743.02	\$6,743.02
62.	KTM Ventures LLC dba USAetail	10568	182353801040402	\$7,913.75	\$7,913.75

		Rec	lassified Claims		
Ref #	Name of Claimant	Affected Claim No.	Affected Ballot No.	503(b)(9) Administrative Priority Claim	Amount Reclassified as General Unsecured Claim
63.	LEG AVENUE INC	*	182353801043323	\$12,200.00	\$12,200.00
64.	LIMITLESS USA INC.	16336	182353801041575	\$37,211.34	\$37,211.34
65.	LIMITLESS USA INC.	16615	182353801041575	\$37,211.34	\$37,211.34
66.	LUXURY DIVAS CORPORATION	*	182353801014814	\$2,397.82	\$2,397.82
67.	MANUS, JASON	9071	182353801041641	\$822.88	\$822.88
68.	MARKET PARTNER SR INC	9034	182353801019093	\$249,874.71	\$249,874.71
69.	MAXI-AIDS INC	8109	182353801019149	\$3,949.56	\$3,949.56
70.	MELISSA RADNER	14202	182353801019213	\$15,003.64	\$15,003.64
71.	NILIMA ONLINE SERVICES INC	6589	182353801043478	\$10,768.00	\$10,768.00
72.	NSF SERVICES INC	1560	182353801019543	\$18,173.02	\$18,173.02
73.	Pagacat Inc	12435	N/A	\$14,397.53	\$14,397.53

	Reclassified Claims							
Ref #	Name of Claimant	Affected Claim No.	Affected Ballot No.	503(b)(9) Administrative Priority Claim	Amount Reclassified as General Unsecured Claim			
74.	PREMIER PRODUCTS LLC	*	182353801019881	\$342.99	\$342.99			
75.	PURE GLOBAL BRANDS INC	6121	182353801019963	\$55,059.07	\$55,059.07			
76.	Quality Photo	12394	N/A	\$8,045.58	\$8,045.58			
77.	R&M GROUP	1424	182353801020006	\$10,775.00	\$10,775.00			
78.	RAC ENTERPRISES INC	12157	N/A	\$13,802.66	\$13,802.66			
79.	Reynolds Building Systems	6275	182353801040656	\$5,601.00	\$5,601.00			
80.	RICHARD COFFEY	*	182353801018633	\$9,388.98	\$9,388.98			
81.	RLB WORLDWIDE LLC	13513	182353801018678	\$482.68	\$482.68			
84.	SoftwareCW LLC	*	182353801018813	\$3,782.95	\$3,782.95			
85.	Soteer Limited	12475	N/A	\$13,650.38	\$13,650.38			
86.	Spohn Global Enterprises, LLC	19964	182353801041202	\$4,203.81	\$4,203.81			

		Rec	lassified Claims		
Ref #	Name of Claimant	Affected Claim No.	Affected Ballot No.	503(b)(9) Administrative Priority Claim	Amount Reclassified as General Unsecured Claim
87.	SUN-MART INTL CO LTD	*	182353801020509	\$6,157.60	\$6,157.60
88.	TECHSPRES LLC	*	182353801020620	\$18,921.56	\$18,921.56
89.	THE COUNTRY BUTLER	*	182353801020677	\$4,613.10	\$4,613.10
90.	The Twister Group, Inc.	1482	182353801041304	\$941.00	\$941.00
91.	TOOLS PLUS	19878	182353801020771	\$20,506.94	\$20,506.94
92.	Travel Accessories Inc	7691	N/A	\$22,596.36	\$22,596.36
93.	TREND LAB LLC	20448	182353801020831	\$10,484.35	\$10,484.35
94.	UnbeatableSale.com, Inc.	13535	N/A	\$213,192.33	\$213,192.33
95.	VBN SALES	*	182353801021021	\$7,604.29	\$7,604.29
96.	Wearwolf Limited	12487	N/A	\$94,148.11	\$94,148.11
97.	WEB RIVER GROUP INC	*	182353801021181	\$5,451.60	\$5,451.60

	Reclassified Claims								
Ref #	Name of Claimant	Affected Claim No.	Affected Ballot No.	503(b)(9) Administrative Priority Claim	Amount Reclassified as General Unsecured Claim				
98.	WESOKY LIMITED	12439	N/A	\$183,327.73	\$183,327.73				
99.	XI TAN	*	182353801021352	\$5,000.00	\$5,000.00				
100.	Yaheetech	15994	N/A	\$11,532.65	\$11,532.65				

<sup>\*</sup> Amount asserted to be disallowed subject to Bankruptcy Court Order [ECF No. 2676]

### Exhibit B

## Withdrawn Objection Claims

Ref	Name of Claimant	Affected Claim No.	Affected Ballot No.	503(b)(9) Administrative Priority Claim	Amount Reclassified as  General Unsecured Claim
83.	Sky Billiards, Inc. dba Best Choice Products	7592	182353801040734	\$136,538.98	\$136,538.98